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Financing of the United Nations Mission in Ethiopia and Eritrea

Report of the Fifth Committee

Rapporteur: Mr. Santiago **Wins** (Uruguay)

I. Introduction

1. The previous recommendation made by the Fifth Committee to the General Assembly under agenda item 137 appears in the report of the Committee contained in document A/56/714 and Corr.1.

2. The Fifth Committee resumed its consideration of the item at its 54th, 55th and 60th meetings, on 13 and 15 May and 17 June 2002. Statements and observations made in the course of the Committee's consideration of the item are reflected in the relevant summary records (A/C.5/56/SR.54, 55 and 60).

3. For its further consideration of the item, the Committee had before it the following documents:

(a) Report of the Secretary-General on the financial performance of the United Nations Mission in Ethiopia and Eritrea for the period from 31 July 2000 to 30 June 2001 (A/56/840);

(b) Report of the Secretary-General on the budget for the United Nations Mission in Ethiopia and Eritrea for the period from 1 July 2002 to 30 June 2003 (A/56/862);

(c) Reports of the Advisory Committee on Administrative and Budgetary Questions (A/56/887 and Add.9).

II. Consideration of draft resolution A/C.5/56/L.66

4. At the 60th meeting, on 17 June, the representative of Argentina and coordinator of informal consultations on this item, introduced, on behalf of the

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Chairman, a draft resolution entitled "Financing of the United Nations Mission in Ethiopia and Eritrea" (A/C.5/56/L.66).

5. At the same meeting, the Committee adopted draft resolution A/C.5/56/L.66 without a vote (see para. 6).

III. Recommendation of the Fifth Committee

6. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

Financing of the United Nations Mission in Ethiopia and Eritrea

The General Assembly,

Having considered the reports of the Secretary-General on the financing of the United Nations Mission in Ethiopia and Eritrea[1] and the related reports of the Advisory Committee on Administrative and Budgetary Questions,[2]

Bearing in mind Security Council resolution 1312 (2000) of 31 July 2000, by which the Council established the United Nations Mission in Ethiopia and Eritrea, and the subsequent resolutions by which the Council extended the mandate of the Mission, the latest of which was resolution 1398 (2002) of 15 March 2002,

Recalling its resolution 55/237 of 23 December 2000 on the financing of the Mission and its subsequent resolutions thereon, the latest of which was resolution 56/250 of 24 December 2002,

Reaffirming the general principles underlying the financing of United Nations peacekeeping operations, as stated in General Assembly resolutions 1874 (S-IV) of 27 June 1963, 3101 (XXVIII) of 11 December 1973 and 55/235 of 23 December 2000,

Noting with appreciation that voluntary contributions have been made to the Mission,

Mindful of the fact that it is essential to provide the Mission with the necessary financial resources to enable it to fulfil its responsibilities under the relevant resolutions of the Security Council,

1. *Takes note* of the status of contributions to the United Nations Mission in Ethiopia and Eritrea as at 30 April 2002, including the contributions outstanding in the amount of 56.6 million United States dollars, representing some 14 per cent of the total assessed contributions, notes with concern that only 17 Member States have paid their assessed contributions in full, and urges all other Member States, in particular those in arrears, to ensure payment of their outstanding assessed contributions;

2. *Expresses its appreciation* to those Member States which have paid their assessed contributions in full and on time and urges all other Member States to make

[1] A/56/840 and A/56/862.

[2] A/56/887 and Add.9.

every possible effort to ensure payment of their assessed contributions to the Mission in full and on time;

3. *Expresses concern* about the financial situation with regard to peacekeeping activities, in particular as regards the reimbursements to troop contributors that bear additional burdens owing to overdue payments by Member States of their assessments;

4. *Also expresses concern* at the delay experienced by the Secretary-General in deploying and providing adequate resources to some recent peacekeeping missions, in particular those in Africa;

5. *Emphasizes* that all future and existing peacekeeping missions shall be given equal and non-discriminatory treatment in respect of financial and administrative arrangements;

6. *Also emphasizes* that all peacekeeping missions shall be provided with adequate resources for the effective and efficient discharge of their respective mandates;

7. *Reiterates its request* to the Secretary-General to make the fullest possible use of facilities and equipment at the United Nations Logistics Base at Brindisi, Italy, in order to minimize the costs of procurement for the Mission;

8. *Endorses* the conclusions and recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions,[3] and requests the Secretary-General to ensure their full implementation;

9. *Requests* the Secretary-General to take all necessary action to ensure that the Mission is administered with a maximum of efficiency and economy;

10. *Also requests* the Secretary-General, in order to reduce the cost of employing General Service staff, to continue efforts to recruit local staff for the Mission against General Service posts, commensurate with the requirements of the Mission;

Performance report for the period 1 July 2000 to 30 June 2001

11. *Takes note* of the financial performance report of the Mission for the period from 1 July 2000 to 30 June 2001;[4]

12. *Approves*, on an exceptional basis, the special arrangements for the Mission with regard to the application of article IV of the financial regulations of the United Nations, whereby appropriations required in respect of obligations owed to Governments providing contingents and/or logistic support to the Mission shall be retained beyond the period stipulated under financial regulations 4.3 and 4.4, as set out in the annex to the present resolution;

Budget estimates for the period 1 July 2002 to 30 June 2003

13. *Decides* to appropriate to the Special Account for the United Nations Mission in Ethiopia and Eritrea the amount of 230,845,300 dollars for the period from 1 July 2002 to 30 June 2003, inclusive of 220,830,200 dollars for the

[3] A/56/887/Add.9.
[4] A/56/840.

maintenance of the Mission, 8,943,600 dollars for the support account for peacekeeping operations and 1,071,500 dollars for the United Nations Logistics Base at Brindisi;

Financing of the appropriation

14. *Decides* to apportion among Member States the amount of 230,845,300 dollars at a monthly rate of 19,237,108 dollars in accordance with the levels set out in General Assembly resolution 55/235 of 23 December 2000, as adjusted by the General Assembly in its resolution 55/236 of 23 December 2000, and taking into account the scale of assessments for 2002 and 2003 as set out in its resolution 55/5 of 23 December 2000, subject to the decision of the Security Council to extend the mandate of the Mission;

15. *Decides also* that, in accordance with the provisions of its resolution 973 (X) of 15 December 1955, there shall be set off against the apportionment among Member States, as provided for in paragraph 14 above, their respective share in the Tax Equalization Fund of 5,328,800 dollars for the period from 1 July 2002 to 30 June 2003, at a monthly rate of 444,067 dollars, comprising the estimated staff assessment income of 4,015,400 dollars approved for the Mission for the period from 1 July 2002 to 30 June 2003, the prorated share of 1,217,900 dollars of the estimated staff assessment income approved for the support account for the period from 1 July 2002 to 30 June 2003 and the increase in staff assessment income of that account for the period from 1 July 2000 to 30 June 2001, and the prorated share of 95,500 dollars of the estimated staff assessment income approved for the United Nations Logistics Base at Brindisi for the period from 1 July 2002 to 30 June 2003 and the reduction in staff assessment income of that account for the period from 1 July 2000 to 30 June 2001;

16. *Decides further* that for Member States that have fulfilled their financial obligations to the Mission, there shall be set off against their apportionment, as provided for in paragraph 14 above, their respective share of the unencumbered balance of 25,084,200 dollars and their respective share of other income of 858,000 dollars in respect of the financial period ended 30 June 2001, in accordance with levels set out in General Assembly resolution 55/235, as adjusted by the General Assembly in its resolution 55/236, and taking into account of the scale of assessments for the year 2001, as set out in its resolution 55/5 B;

17. *Decides* that for Member States that have not fulfilled their financial obligations to the Mission, their respective share of the unencumbered balance of 25,084,200 dollars and other income of 858,000 dollars in respect of the financial period ended 30 June 2001 shall be set off against their outstanding obligations in accordance with the scheme set out in paragraph 16 above;

18. *Decides also* that the decrease in the staff assessment income of 679,700 dollars shall be set off against the credits from the unencumbered balance in respect of the financial period ended 30 June 2001 referred to in paragraphs 16 and 17 above;

19. *Emphasizes* that no peacekeeping operation shall be financed by borrowing funds from other active peacekeeping operations;

20. *Encourages* the Secretary-General to continue to take additional measures to ensure the safety and security of all personnel under the auspices of the United Nations participating in peacekeeping operations;

21. *Invites* voluntary contributions to the Mission in cash and in form of services and supplies acceptable to the Secretary-General, to be administered, as appropriate, in accordance with the procedure and practices established by the General Assembly;

22. *Decides* to include in the provisional agenda of its fifty-seventh session the item entitled "Financing of the United Nations Mission in Ethiopia and Eritrea".

Annex

Special arrangements with regard to the application of article IV of the Financial Regulations on the United Nations

1. At the end of the twelve-month period provided for in financial regulation 4.3, any unliquidated obligations of the financial period in question relating to goods supplied and services rendered by Governments for which claims have been received or which are covered by established reimbursement rates shall be transferred to accounts payable; such accounts shall remain recorded in the Special Account for the United Nations Mission in Ethiopia and Eritrea until payment is effected.

2. In addition:

(a) Any other unliquidated obligations of the financial period in question owed to Governments for provision of goods and services rendered but not yet verified, as well as other obligations owed to Governments, for which claims have not yet been received shall remain valid for an additional period of four years following the end of the twelve-month period provided for in financial regulation 4.3;

(b) Claims received during this four-year period as well as approved verification reports shall be treated as provided for under paragraph 1 of the present annex, if appropriate;

(c) At the end of the additional four-year period, any unliquidated obligations shall be cancelled and the then remaining balance of any appropriations retained therefor shall be surrendered.